

Greater Valdosta United Way

GIFT ACCEPTANCE POLICY

GENERAL

It is the policy of the Greater Valdosta United Way (hereinafter "GVUW") to offer donors the opportunity to make gifts to the GVUW primarily for the benefit and support of educational programs and facilities of the GVUW. It is also the policy of the GVUW to actively seek and solicit such gifts to the GVUW and to provide adequate staff and resources in support of the GVUW's gift program needs and requirements.

These guidelines provide the parameters within which GVUW staff and volunteers shall function in discussing and promoting acceptable gifts from interested prospects. The guidelines also identify procedures and limitations on gifts that are offered to the GVUW for consistent consideration of such gifts in determining their suitability for the GVUW. These guidelines are adopted as official policy by the GVUW's Board.

GUIDELINE 1 -- PRIORITY OF THE DONOR'S INTEREST

The interest of the donor shall have priority over the interest of the GVUW. No program, trust agreement, contract, or commitment may be urged upon any donor or prospective donor to benefit the GVUW at the expense of the donor's intent or which would knowingly jeopardize a donor's interests. Agents or representatives of the GVUW must make full disclosure to the donor on all aspects of benefits and liabilities of which they are aware that may reasonably be expected to influence the decision of the donor to make a gift with the GVUW.

GUIDELINE 2 -- USE OF LEGAL COUNSEL

- a. The GVUW shall seek legal counsel as needed in matters pertaining to its planned gift program and shall execute no planned giving agreement unless and until all relevant documents have been duly reviewed. The use of documents that have received prior review and approval shall be acceptable.
- b. All agreements in which the GVUW is the trustee shall follow the format of the specimen agreements approved by the GVUW Foundation or the GVUW's legal counsel, or shall be otherwise approved by them.
- c. Though the GVUW is obligated to provide donors with as much information as possible regarding benefits, limitations, and tax implications of specific gifts or gift arrangements, the GVUW shall not be considered to be offering tax or legal advice to donors or prospects. All prospects and donors shall be advised, both orally and in writing, to seek their own legal counsel in matters relating to their gifts, tax, and estate planning. In particular, donors will be informed that the GVUW cannot take into consideration the effect or impact that state laws, statutes, or taxes may have upon the suitability of a gift, or upon the terms of an agreement.

GUIDELINE 3 -- AUTHORIZATION FOR NEGOTIATION

- a. Representatives and agents of the GVUW, GVUW executives, and other appropriate GVUW professionals and volunteers are encouraged to discuss planned giving with

prospective donors. However, only persons authorized by the GVUW Board may accept and formalize any GVUW gift from a donor.

- b. No gift or gift agreement may be accepted by the GVUW unless it complies with the requirements of the guidelines herein stated. Any variances must receive prior approval by the GVUW's legal counsel and/or Executive Board.

GUIDELINE 4 -- CONFIDENTIAL INFORMATION

All information concerning donors and prospective donors, including names, names of beneficiaries, amount of gift, size of estate, etc., shall be kept in strict confidence by the GVUW and its authorized personnel. A donor or, in the case of a testamentary gift or other acceptable circumstances, an executor, beneficiary, or close family member, may grant permission to the GVUW to publicly announce or recognize a gift.

GUIDELINE 5 -- ACCEPTABLE GIFT ASSETS

The following assets may be deemed acceptable as outright gifts to the GVUW. Acceptance and suitability of any such property used to fund a charitable trust or income arrangement is discussed herein in Guideline 6. Acceptable assets include:

a. Cash

b. Securities

1. *Publicly Traded Stocks and Bonds* -- may be accepted at fair market value of the stock on the day the gift is received by the GVUW, as determined under IRS rules.
2. *Stock in a Closely Held Corporation* -- may be accepted if a valuation has been made by a recent and reliable appraisal acceptable to the GVUW and as described in Guideline 6 herein. The GVUW recognizes the difficulties that may arise with such gifts and will give special attention in the preparation of gift proposals and agreements to any issues relating to restrictions on excess business holdings, restricted or controlled stock, potential redemptions, pending corporate liquidations, and capital gains treatment upon sale or maturity.

c. Real Estate

1. The GVUW may accept gifts of real property at fair market value if, at the time of the gift, there are no outstanding mortgages, tax liens, or other encumbrances upon the land. Such value shall be established by at least one recent, reliable, and qualified appraisal acceptable to the GVUW.
2. If any encumbrances are present at the time the gift is offered, and such encumbrances represent a nominal amount when compared with the total value of the property, such property may be accepted with the approval of the GVUW Board. How the encumbrance will be removed, and by whom, shall be agreed upon by the GVUW and the donor in writing prior to acceptance of such property.
3. No gift of real property may be accepted by the GVUW unless and until such property has been personally visited by a designated Board member, GVUW staff member, or appropriate agent or designee of the GVUW (e.g., an GVUW employee or recommended real estate agent). In addition, a written analysis of the

marketability and potential use of the gift property shall be prepared by the GVUW prior to acceptance of the property.

4. No gift of real property may be accepted until a preliminary environmental evaluation, questionnaire, or disclosure statement has been completed or made available for the property in question. This should include a recent Phase I Environmental Site Assessment prepared by an assessor suitable to the GVUW. In the event that this evaluation or Phase I assessment discloses any information indicating the presence or reasonable possibility of toxic materials, hazardous waste, oil seepage, or other contaminants on the property, additional environmental studies and phase assessments must be completed before the gift is accepted.
 5. Arrangements to cover post-transfer expenses should be agreed upon in writing by the donor and the GVUW prior to the gift. Such expenses include taxes and assessments, insurance, and maintenance costs of the land or any buildings on the land.
 6. Tax benefits previously derived by the donor from the gift property, as well as a reasonable estimate of the net value of a real estate gift, shall be taken into consideration when offering and discussing gift proposals, especially involving charitable or split interest trusts funded with real estate.
 7. Any tangible personal property associated with real property gifts, such as furnishings for a home or ranch, should be segregated into separate gift proposals or agreements.
- d. Oil and Gas Properties
1. Acceptable by the GVUW if in the form of a royalty interest. Working interests and limited partnership interests will not be accepted.
- e. Life Insurance
1. The GVUW may only accept gifts of a life insurance policy if the GVUW is irrevocably named as owner and beneficiary of the policy with all incidents of ownership intact in the policy. Gifts of paid-up policies are preferred. If a policy is accepted that is not paid up, the GVUW is under no obligation to continue premium payments but may do so if it is found to be in the best interest of the GVUW.
- f. Tangible Personal Property/Gifts in Kind
1. Gifts of tangible personal property, or gifts in kind, including but not limited to cars, boats, art, stamp/coin collections, equipment, inventory, etc., may be accepted if there are no significant restrictions, limitations, or unreimbursed additional expenses for their present or future use, display, maintenance, transfer, sale, insurance, storage, or other fees and costs. In particular, donors may not require the GVUW to hold any property of any kind for a minimum or specified period of time prior to sale or disposition.
 2. Such gifts are normally not accepted if there is a condition, understanding, or expectation that the items will be loaned or sold back to the donor or the donor's family or designee. The GVUW will presumptively sell all tangible personal property

it receives unless specifically needed for use or consumption related to its charitable purposes, and such sales shall be to disinterested third parties.

3. Prior to any gift of tangible personal property, the GVUW will provide all donors or prospects written guidance on possible related or unrelated use of the gift property and IRS Form 8283 and its accompanying instructions. This shall be provided only for the convenience and general information of the donor on the reporting and tax issues relevant to such gifts.

g. Other Acceptable Gift Assets

1. Upon consideration prior to acceptance, the GVUW Board may accept gifts to the GVUW of other types of assets not herein specified or discussed. All appropriate liability and cost/benefit issues related to the gift or gift property shall, as usual, be considered.

GUIDELINE 6 -- APPRAISALS FOR GVUW GIFTS

The GVUW will not be responsible for furnishing a donor with property appraisals or valuations for gifts to the GVUW. The GVUW also will not under any circumstances participate in a transaction in which the value of a gift is known to have been significantly inflated above its true fair market value to obtain a tax advantage for a donor.

It is the intention of the GVUW to follow the requirements and guidelines set out, and from time to time amended, by the Internal Revenue Code related to qualified appraisals and appraisers and gift reporting. Proper receipts will be provided to each donor in a timely manner, and appropriate reporting forms will be used for all property sold by the GVUW within two years of the date of contribution.

GUIDELINE 7 -- GIFTS AND SPECIFIC ACCEPTANCE CRITERIA

In considering the acceptance of any gift and its value to the GVUW, the following factors must be taken into account:

1. The nature of the assets contributed;
2. Total return on investment of the gift assets;
3. The length of the management or trust period; and
4. Factors that cannot be controlled by the GVUW but are subject to estimate such as investment performance, life expectancy, etc.

Donors and GVUW representatives should consider as controlling all restrictions and minimums on the following types of gifts. Gifts may vary from these guidelines in certain circumstances where permitted by law but must receive prior approval from the GVUW Board if it is determined that such variance is to the advantage of both the GVUW and the donor.

It is the intention of the GVUW to sell all gifts it accepts as soon as reasonably prudent and in the sole discretion of the GVUW trustee and to reinvest the proceeds from those gifts in keeping with its recommended investment guidelines and portfolio mix.

a. Outright Gifts

No minimum is required, except for gifts of real estate which require a minimum appraised fair market value before they may be accepted by the GVUW. Donors may not retain any significant

rights or benefits in any property or asset offered to the GVUW except as herein described in Guideline 7 (e) and (f).

Gifts for a specific purpose will not be segregated or designated as a separate cost center within the GVUW unless (1) the gift value is a minimum of \$10,000.00; and (2) either the donor requests it, or the GVUW believes it is in its best interest to create segregated accounting for the gift.

b. Charitable Remainder Unitrusts

As a general rule, because of staffing limitations the GVUW would prefer not to serve as trustee for charitable remainder trusts. We encourage donors to either use a bank or trust company of their choice or the National Foundation (if the unitrust meets its required guidelines). However, the GVUW would serve as trustee if this was an important aspect of the gift for the donor.

c. Charitable Remainder Annuity Trusts

As with unitrusts, because of staffing limitations the GVUW would prefer not to serve as trustee for charitable remainder annuity trusts. We encourage donors to either use a bank or trust company of their choice (if the annuity trust meets its required guidelines). However, the GVUW would serve as trustee if this was an important aspect of the gift for the donor.

GUIDELINE 8 -- FINAL DISPOSITION OF PLANNED GIFT FUNDS

Upon the death of the surviving beneficiary or termination of a gift agreement, the assets and any accruals derived therefrom shall be paid to the GVUW for its general purposes or specific purposes unless otherwise restricted by the donor and stated in the gift agreement. It is the policy of the GVUW to direct all gifts received for general purposes to the GVUW for discretionary use. All gifts that are donor-restricted shall be directed to the appropriate restricted or endowment funds for such uses as are consistent with the donor's restriction or request.

GUIDELINE 9 -- INVESTMENT OF FUNDS, PHILOSOPHY, DUTIES AND RESPONSIBILITIES

Guidelines related to investment of GVUW funds, investment strategies, philosophies, asset allocations, duties, and responsibilities may be set out in a separate document as drafted and duly adopted from time to time by the GVUW finance committee and the GVUW Board.

GUIDELINE 10 -- AMENDMENT OF POLICIES AND GUIDELINES

All gift acceptance policies of the GVUW are subject to amendment upon appropriate resolution and vote by the GVUW Board. However, such amendments may not be used to defeat or infringe upon the rights or expectations of any donor who may have made a gift or entered into a gift agreement prior to such amendment.